GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4957
ANSWERED ON:16.12.2016
Mobile Banking
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government has provided facility for mobile banking in the interior regions of the country for better financial inclusion and if so, the details thereof;
(b) whether public sector banks have fixed any target for sanctioning of loans particularly in tribal and hilly areas and if so, the norms/guidelines approved by the Government in this regard; and
(c) the steps taken/being taken by the Government to ensure better banking facilities to each household in the country?

Answer

The Minister of State in the Ministry of Finance

(a) Reserve Bank of India (RBI) has given approval to banks for providing mobile banking services to its customers. The services can be used by any customer of the bank irrespective of the location. As on November 30, 2016, RBI has given approval to 195 banks for providing Mobile Banking Services to their customers. Further to facilitate mobile banking the process of registration has been made convenient by enabling such feature on ATMs.

National Payments Corporation of India (NPCI) has offered the facility of Mobile Banking using Unstructured Supplementary Service Data (USSD) based Mobile Banking. USSD based Mobile Banking offers basic Banking facilities like Money Transfer, Bill Payments, Balance Enquiries, Merchant payments etc. on a simple GSM (Global System for Mobile Communications) based Mobile phone, without the need to download application on a Phone as required at present in the IMPS (Immediate Payment Service) based Mobile Banking.
Transactions can be performed on basic phone handsets. The user needs to approach his bank and get his mobile number registered. The bank will issue an MPIN (Mobile PIN) to the user. The user thereafter needs to dial *99# and the menu for using USSD opens. Thereafter customer has to follow selections on the menu to complete the transaction.
(b) and (c) Public Sector Banks (PSBs) are providing loans in general and also under Prime Minister Mudra Yojana (PMMY) and Stand-Up India Scheme. As on 02.12.2016, PSBs have disbursed loans to SCs/STs and Women to 15099 account-holders with aggregate amount of Rs.1505.98 crore under Stand-up India. Similarly under PMMY, an amount of Rs.132954.73 crore was disbursed in 348.80 lakh accounts during the financial year 2015-16 and during the current financial year (2016-17), an amount of Rs.74240.55 crore has been disbursed in 202.81 lakh accounts upto 02.12.2016. Besides, Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched on 28th August 2014 with the main objective of providing one account per household across the country. Till 07.12.2016, 25.82 crore accounts have been opened under the Yojana across the country. 126512 Business Correspondents (BCs) are engaged by banks in Sub Service Areas (SSAs) to make banking facilities accessible to rural households. BC perform cash in, cash out, fund transfer and balance enquiry with the help of micro ATMs provided to them.

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